

Midterm

Answer any three.

1. Briefly outline the main points made by Paul Krugman in his "The Myth of Asia's Miracle". How do his views differ from those who stress the advantages of the "Asian Model." What are the main implications of Krugman's findings.
2. What seem to be the main factors responsible for the current crisis in Asia?
3. Discuss the main issues surrounding the IMF in Asia? What is the IMF position? Do you feel the Fund can play a useful role in the region's recovery? Why or why not?
4. What are the main contributions (Ross Levine) financial development can make to economic growth? As you see it what are the main issues surrounding the debate over financial development?
5. How does Bruton view the import substitution strategy? What does he feel are the weaknesses and strengths of this approach toward growth and development?
6. Briefly summarize the main issues surrounding the investment in education (human capital). What are some of the main empirical findings concerning the rates of return on education?
7. What is dualism? The factors responsible for this situation? What are some of the policy options available for alleviating dualism?
8. Briefly outline the main elements in: (a) the Classical model of growth (b) the growth model developed by Marx, (c) the contribution of either Schumpeter, or the neo-classicals. What appear to be the strengths and weaknesses of each model?
9. What are the main elements of Rostow's theory of development. The main strengths of the theory? the limitations?
10. Discuss the controversy over democracy and growth. What are the main empirical findings and their implications
11. According to Stephen Lewis why do mineral economies encounter so many difficulties in their development? What can be done to improve the economic performance of these economies?
12. Write a brief critique of the main approaches of Development as outlined in Chapter 7, Theories of Development (for those not doing #8 or #9).
13. Write a brief essay on the benefits of and problems associated with economic aid.